



FEDERAL FINANCING BANK

WASHINGTON, D.C. 20220

BYLAWS OF THE FEDERAL FINANCING BANK

Article 1

Authority

These Bylaws are issued pursuant to the Federal Financing Bank Act of 1973.

Article 2

Offices

The principal office of the Bank shall be in the Treasury Department in the District of Columbia. Other offices of the Bank shall be in such places as may be deemed by the Board to be necessary or appropriate.

Article 3

Board of Directors

Section 3.01. Powers of Board.

Subject to the provisions of the Act, and under the general supervision and direction of the Secretary of the Treasury, the Board shall determine the general policies governing the operations of the Bank and the exercise of the rights and powers granted to the Bank under the Act.

Section 3.02. Membership.

The Board shall consist of five persons, one of whom shall be the Secretary of the Treasury, as Chairman of the Board, and four of whom shall be appointed by the President of the United States from among the officers or employees of any Federal agency.

Section 3.03. Designation.

The Chairman of the Board and each other member of the Board may designate some other officer or employee of the Government to serve in his place.

Section 3.04. Acting Chairman of the Board.

The Chairman may designate some other member of the Board as Acting Chairman to serve in his absence. Such designee shall possess the powers and duties which the Chairman possesses under these Bylaws.

Section 3.05. Term of Members.

Each Director shall hold office until his successor is appointed, or his death, resignation, or retirement, whichever event shall first occur.

Section 3.06. Meetings.

The Board shall meet at such times as shall be determined by the Chairman. Each meeting shall be held at the principal office of the Bank in the District of Columbia, unless special provision is made by the Chairman, in advance of any meeting, to hold it at another place, either within or without the District of Columbia. Members of the Board may participate in a meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting.

Section 3.07. Notice of Meetings.

Notice of meetings shall be given to each Director by the Secretary of the Bank at the direction of the Chairman. Notice of a meeting shall include a statement of the purpose of the meeting.

Section 3.08. Quorum.

A majority of the then incumbent Directors at the time of any meeting shall constitute a quorum for the transaction of business. A majority vote of the Directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 3.09. Action without a Meeting.

Any policy or action that may be approved or taken at a meeting of the Board may be approved or taken without a meeting if all incumbent Directors consent thereto in writing.

Section 3.10 Compensation of Directors.

The members of the Board shall not receive compensation for their services on the Board.

Article 4

Officers and Staff

Section 4.01. Number and Title.

(a) The principal officers of the Bank shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, and a General Counsel. There shall also be such additional officers as may be deemed necessary by the Board. Any two or more offices may be held by the same person.

(b) Unless otherwise provided by the Board, staff services required by the Bank shall be acquired by the officers of the Bank from persons approved by the Board or from the Department of the Treasury or other Federal agencies on a reimbursable basis in accordance with the Act and other provisions of law.

Section 4.02. General Authority and Duties.

All officers or agents of the Bank shall have such authority and perform such duties in the management and conduct of the business of the Bank as may be provided for in these Bylaws, as may be established by resolution of the Board of Directors not inconsistent with these Bylaws, or as may be delegated to them in a manner not inconsistent with these Bylaws.

Section 4.03. Appointment and Tenure.

(a) The officers of the Bank shall be appointed by the Chairman. Each officer shall hold office until his successor is appointed; or his death, resignation, retirement, or removal from office, whichever event shall first occur.

(b) Appointment without express tenure of an officer shall not of itself create contract rights.

Section 4.04. Removal.

Any officer may be removed by the Chairman, and any removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4.05. Compensation.

Officers who also serve as paid employees of the Federal Government in another capacity, shall receive no additional compensation for their services to the Bank. The compensation of officers of the Bank, not otherwise employed by the Federal

Government, shall be fixed, from time to time by the Board of Directors, subject to the civil service and classification laws.

Section 4.06. The President.

The President shall be the chief executive officer of the Bank having such powers and performing such duties as the Board of Directors may prescribe.

Section 4.07. The Vice Presidents.

The Vice Presidents shall perform such duties as the President may prescribe.

Section 4.08. The Secretary.

The Secretary shall, in general, perform all the duties ordinarily incident for the office of Secretary. He shall keep or cause to be kept in books provided for the purpose: (1) The minutes of the meeting of the Board; (2) shall see that all notices are duly given as required by law and in accordance with the provisions of these Bylaws; and (3) shall be responsible for the custody and maintenance of all the records of the Bank, other than those of a financial nature.

Section 4.09. The Treasurer.

The Treasurer shall, in general, perform all the duties ordinarily incident to the office of Treasurer. He shall render to the Board, whenever the same shall be required, an account of all his transactions as Treasurer.

Section 4.10. The General Counsel.

The General Counsel shall be the principal officer of the Bank in all matters of legal significance or import; shall be responsible for and direct all legal duties and services for and on behalf of the Bank, and shall perform such other duties and have such powers as are ordinarily incident to the office of the General Counsel.

Section 4.11. Delegation of Authority.

Any of the principal officers specified in Sections 4.06-4.10 above may delegate authority to another officer of the Bank or, with the approval of the Board, to any person rendering services to the Bank pursuant to Section 4.01 of these Bylaws.

Article 5

Audit

The Board shall provide for continuing internal audit of the Bank by the audit staff of the Bureau of Accounts of the Treasury Department. The internal audit reports and working papers shall be made available to the General Accounting Office for purposes of the annual audit required by the Government Corporation Control Act.

Article 6

Corporate Seal

The corporate seal of the Bank shall be a circle two inches in diameter with the name "Federal Financing Bank" inscribed around its border and the year "1973" appearing in its center.

Article 7

Amendments

The power to alter, amend, or repeal these Bylaws, or to adopt new Bylaws, is vested in the Board, acting by the affirmative vote of a majority of the full number of authorized Directors. Except by unanimous consent of all the then incumbent Directors, no such action shall be undertaken until at least one week shall have elapsed from either (1) the introduction of the proposal at a meeting of the Board at which a quorum shall have attended, or (2) the circulation of such proposed action to all the then incumbent Directors.

Article 8

Definitions

Section 8.01. Act.

The term "Act" shall mean the Federal Financing Bank Act of 1973.

Section 8.02. Bank.

The term "Bank" shall mean the Federal Financing Bank.

Section 8.03. Board.

The term "Board" shall mean the Board of Directors of the Federal Financing Bank.

Section 8.04. Chairman.

The term "Chairman" shall mean the Chairman of the Board of Directors of the Federal Financing Bank.